Unemployment Rates: Where Savannah Stands

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The U.S. economy has been significantly affected by the growing national debt and trade deficit, the downturn of the housing market, the banking crisis, rising health care costs, inflation, economic worries slamming the stock market and reports on consumer confidence showing that people are in no mood to spend. What are the sources of the current recession?

The collapse of the housing market led to bank collapses, causing the amount of available credit to be sharply curtailed, resulting in huge liquidity and solvency crises. Record oil and food prices, coupled with stock markets crashing globally, combined with several high-profile banking, automotive and manufacturing giants collapsing, have resulted in a recession.

This recession is having a major impact on the national and state unemployment rates. Looking at the current unemployment rate tells us a lot about our economy’s performance. The national unemployment rate fell to 9.4 percent in July 2009 from 9.5 percent in June 2009, but this hardly means the recession is over. Economists forecast that unemployment will reach 10 percent by fall and the 11 percent range by winter.

Where does Georgia stand compared to the unemployment rate of other states? Georgia is one of 10 states with statistically significant unemployment rate changes. An unemployment rate of 9.6 percent in May 2009 jumped to the highest rate ever recorded in the state at 10.3 percent in July 2009. In June 2008, Georgia’s unemployment rate was only 6.1 percent. Since then, 214,300 jobs have been lost in the state. Michigan, Rhode Island, Oregon, South Carolina, Nevada, California, Ohio and North Carolina are the states right now with the highest unemployment rates.

Both Savannah and Statesboro have experienced job growth, strong construction activity, increased residential growth and commercial development. Just because the state of Georgia’s unemployment rate is far higher than the national rate does not mean certain regions in the state are not doing well.

In fact, Savannah’s unemployment rate of 10 percent is slightly below the state’s average in joblessness. Statesboro’s unemployment rate also is below the state’s average at 8.7 percent. These two regions are doing rather well, and it is in these two areas where unemployment rates are low that the most investment is happening. The leading industries in Savannah are health care and educational services, both of which are doing exceptionally well right now. Both Savannah and Statesboro have experienced job growth, strong construction activity, increased residential growth and commercial development, including multiple new residential subdivisions, new restaurants, and new activity, as well as growth in retail and service sectors.

Georgian Southern University has created more jobs as student enrollment has increased from 13,904 in 1998 to 17,704 students in the fall of 2008 to an estimated 18,700 students this fall. Bulloch County is committed to its existing industries and businesses but also is developing economic incentives for new businesses. Being on the boundary of the Savannah metropolitan area is a major advantage to Bulloch County from a regional perspective. Bulloch County’s employed work force increased from 26,304 to 27,512 between 2000 and 2005, a growth rate of approximately 1.0 percent annually and this rate of growth remains steady. The county has higher income levels because of a skilled work force and higher wage jobs. Major employers are Georgia Southern University, Briggs and Stratton, Wal-Mart, Viracon and East Georgia Regional Hospital and they continue to expand their operations.

Statesboro Crossing retail center, built last fall, has created a lot of new jobs and the county-operated Splash in the Boro Aquatic Center has done an outstanding job of drawing more than 60 percent of its 250,000 customers from outside Bulloch County.

To conclude, Savannah and Statesboro are the state’s fastest growing regions, especially in the economic sectors related to job growth, tourism, retail, real estate and finance.

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